

End Semester/Reappear (Semester II) Examination July 2022

Programme: BBA (Logistics)
Subject: Management and Cost Accounting
Subject Code: L19C17
Enrollment No: _____

Full Marks: 70
Time: 3 Hrs.

Section I

- 1. Short Answer type questions. Answer any four. 4 x 5 = 20**
- Why is 'traditional' costing so reluctant to be displaced by ABC?
 - Define CVP. State the assumptions of CVP analysis.
 - Discuss Du Pont analysis. What are its components?
 - What is Budgetary Control System? State its limitations.
 - Whether Common Size Statement is a form of horizontal analytical tool or a vertical analytical tool? Explain. Also explain the objective of preparing common size Income statement.
 - Give possible reasons why a materials, or a labor, or an overhead variance might arise.

Section II

- Long Answer type questions. Answer any three. 3 x 10 = 30**
- Proper interpretation of variances from standard is very important for the success of standard cost system as a tool for cost control. Evaluate some important factors that must be borne in mind when interpreting variances from standard.
 - Create a Common size income statement of Rama Manufacturing Co. Ltd., from the following information and comment on the result:

PARTICULARS	31-3-2012 (R.s)	31-3-2013 (R.s)
Revenue from operations	18,00,000	24,00,000
Cost of material consumed	11,70,000	15,12,000
Change in inventories of Finished goods & work in progress.	90,000	1,44,000
Depreciation	72,000	1,08,000
Other expenses	54,000	96,000
Employees Benefit expenses	1,62,000	2,04,000
Other income	90,000	96,000
Tax rate 40 %		

- What is meant by zero based budgeting? Explain the steps involved for introduction of ZBB in an organization.
- What is meant by ratio analysis? Explain its objectives. Also classify the various types of ratio in detail.

6. Narrate the essential factors to be considered while designing and installing a cost accounting system.

Section III

Application based questions. Answer any one.

1 x 20 = 20

7. The production target of XYZ Ltd was 100 units. Actual production done was also 100 units. From the following information Evaluate Labor cost variance, Labor hour rate variance and Labor efficiency variance, Labor mix variance and Labor yield variance for A, B & C.

Labor grade	Standard hour	Standard rate	Actual hour	Actual rate
A	40	10	42	9
B	30	9	35	10
C	30	8	33	9

8. XYZ Ltd reports the following results for year ended 31st March, 2003

Particulars	Amount
Sales	2,00,000
Variable cost	1,20,000
Fixed cost	50,000
Net profit	30,000

Construct a profit-volume graph and also verify the same with the mathematical analysis

9. With the following data for 60 % activity, prepare a budget at 80 % and 100 % activity.

Production at 60 % capacity – 600 units

Materials R.s 100 per unit

Labour R.s 40 per unit

Expenses R.s 10 per unit

Factory Expenses R.s 40,000(40 % Fixed)

Administration expenses R.s 30,000 (60 % Fixed)
